

From: Eric Hill
To: Microsoft ATR
Date: 1/23/02 10:35pm
Subject: Microsoft Settlement

January 23, 2002

To Whom It May Concern:

As a citizen of the United States and a user and developer of Microsoft Windows-based software, I am writing in strong support of the settlement reached by the US Department of Justice, the nine settling states (including, proudly, my state of residence, North Carolina), and Microsoft to end the antitrust case against Microsoft.

I have worked in the computer industry for 15 years. During that time, I have watched how Microsoft's vision has moved the PC industry from toy computers running MS-DOS to powerful workstations running mission critical applications. Microsoft has earned their large market share in the desktop operating system market, by delivering consistently improving products to the marketplace that solve people's problems at very reasonable prices.

During a time in the late 1980's, I worked for a company that, like many others, was undertaking office automation - converting from manual methods of document preparation to computer-based methods. This company had both UNIX-based and Windows-based computers in-house. At the time, Windows-based computers were notoriously unstable, so we tried desperately to find an office automation solution on UNIX-based computers. Unfortunately, it did not exist. Microsoft, on the other hand, had a suite of applications that worked better together than any suite of office applications running on any platform at the time. We went with Microsoft and lived with the instability. This is the stuff of which Microsoft's market share is made. Microsoft delivered products, and their competitors failed to execute.

For the past seven years, I have worked as a developer of software that runs on Microsoft Windows. It is a pleasure to develop software for Microsoft Windows. The documentation that Microsoft provides through the Microsoft Developer's Network is phenomenal, and unmatched by any other company in the industry. Their new software development tool, Visual Studio.NET, is the best tool for developing software that has ever been created. When you combine the ease of developing for Microsoft with the suite of excellent applications that Microsoft also produces, you end up with a platform that is the most successfully competitive and innovative in the marketplace.

The problem with monopolies is supposed to be that they charge high prices and stagnate. Microsoft's competitors, who are urging the judge

in this case to throw out the settlement, could only wish that Microsoft had stagnated and charged high prices. That is the real problem for Microsoft's competitors: Microsoft competes incredibly well. This demonstrates what members of the Austrian School of Economics pointed out 100 years ago: Monopolies that do not have *legal* barriers to entry protecting them are no threat to anyone, because they are powerless to stop competitors from entering. There is, of course, no guarantee that *worthy* competitors will in fact appear, but that is not the dominant company's fault.

In looking through the opinion from the US Court of Appeals, there is exactly one offense committed by Microsoft that should be illegal - the breach of contract and fraud in the Sun Java matter. But breach of contract and fraud are illegal for companies regardless of market share, and Sun took appropriate action to remedy the matter by suing Microsoft. The appearance of the Java matter in the antitrust case is merely double jeopardy.

Other accusations made against Microsoft are for actions that should not be illegal for any company, regardless of market share. In the case of Intel, the relationship that Intel enjoyed with Microsoft was responsible for much of its profit. For Intel to use that profit to develop software that would potentially compete with Microsoft's products is absolutely something that Microsoft should have a right to respond to. All Microsoft did was threaten to take some of their business elsewhere. The right to take one's business elsewhere is a fundamental right that all individuals and corporations, regardless of market share, must enjoy if we are to call this a free society. The fact that the antitrust laws enjoin such conduct for a company with large market share is merely another reason that the antitrust laws must be repealed. Similarly, Microsoft's actions in developing and promoting Internet Explorer through innovative marketing agreements should also be their absolute right. There can be no doubt that Microsoft's dominance in desktop operating systems gave them an advantage for getting Internet Explorer into the hands of users. But it was an advantage that they earned. Microsoft's push of Windows into people's homes also created a huge market for Netscape to sell into.

The most absurd concept in court filings that I have read is the concept of the "applications barrier to entry", and the notion that the court must take action to reduce or eliminate it. The so-called "applications barrier to entry" actually represents what an incredible job Microsoft has done creating software that works well together to solve the problems of their customers, and the great job Microsoft has done making it easy for third parties to develop software for Windows (Visual Basic being one shining example). Those who are calling for a reduction in the "applications barrier to entry" are asking Microsoft to be punished for the great things they have done, not for those things they have (allegedly) done wrong.

The antitrust case against Microsoft has been an embarrassment for the United States. It is time to bring it to a close in a way that prevents the most egregious (in the opinion of some) conduct, while leaving Microsoft free to innovate and enjoy the advantages that their 20-year history of developing great software that is accessible to the masses. Microsoft's competitors have had ample opportunity to get their act together over the last 20 years and put forward a platform that would compete seriously with Windows. Those competitors have failed miserably at every turn, and now seek to use the fact that everyone wants Microsoft's products against Microsoft to gain an advantage that they were unable to earn in the marketplace. The settlement is a punishment that fits the crime. Please accept it and let us move on.

Sincerely,

Eric W. Hill
208 Wedgemere St.
Apex, NC 27502